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TAGS: [PGOV](#) [PREL](#) [PARM](#) [MNUC](#) [PINR](#) [NZ](#)

SUBJECT: NEW ZEALAND PRIME MINISTER REITERATES VIEW THAT  
NUCLEAR RIFT IS "FINISHED BUSINESS"

Classified By: Political and Economic Counselor,  
Timothy Zuniga-Brown, FOR REASONS 1.5(B,D)

11. (SBU/NF) Summary: New Zealand Prime Minister Helen Clark reiterated her position on NZ's anti-nuclear policy in comments to local media July 25: "I'm not looking for compromises. I'm perfectly satisfied with the policy. As far as I am concerned, (the US-NZ nuclear dispute) is finished business." The PM's comments were made in response to questions posed by a respected national reporter following backgrounders by Embassy Wellington. The resulting well-balanced articles belied the Prime Minister's claims that the issue is "finished business." The articles addressed a number of issues that Post has highlighted both publicly and privately in recent months ) the uncounted cost of NZ's policies and the increasing irrelevance of the legislation in a Post-Cold War security environment. The weekend press coverage continues a welcome internal nation-wide dialogue on the nuclear issue. End summary.

"It is finished business" - or is it?  
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12. (SBU) Following on series of backgrounders by Embassy Wellington, respected Sunday Star-Times reporter Jonathan Milne wrote a series of well-balanced articles July 25 that addressed a number of points on the nuclear issues that Post has highlighted both publicly and privately in recent months ) the uncounted cost of New Zealand's policies and the increasing irrelevance of the legislation in a Post-Cold War security environment. Milne pointed to the decision to base U.S. Coastguard icebreakers in Hobart, Australia, the loss of business opportunities for businesses that refit military equipment, the loss of US training opportunities for the NZ Defence Force and the subsequent higher price paid for military training and hardware as evidence that the legislation is not cost-free to NZ. He noted further that the reputed trade and tourism benefit of NZ's vaunted nuclear-free image has never been quantified. A second article focused on the financial benefits accrued by Townsville, Australia. The article noted that while Townsville previously designated itself a "nuclear-free zone" in the 1980s, it now welcomes American ship visits and has added millions of dollars to its local economy as a result.

13. (SBU/NF) Prime Minister Helen Clark is quoted by Milne as responding to his story by flatly stating "I'm not looking for compromises. I'm perfectly satisfied with the policy. As far as I am concerned, (the US-NZ nuclear dispute) is finished business." Clark further stressed her view that the US-NZ nuclear problem is increasingly "irrelevant," and solely due to the USG's stubborn adherence to its "neither confirm nor deny" policy. She goes on to note that the nuclear-free legislation is an issue that "New Zealand and America have put to the side for 20 years." Milne's conclusion is that neither the GoNZ nor the USG are willing to compromise further to solve the impasse created by NZ's adoption of anti-nuclear legislation that resulted in a ban on visits by USG military vessels to New Zealand.

14. (SBU/NF) Milne's third article, appearing under the misleading title "US makes nukes blunder," revealed an incident in December 2003 when the US Army landing craft USS Great Bridge sought permission for a USD 1.4 million refit in a New Zealand dockyard. After being reminded of the USG ban on military ship visits, the vessel was redirected to Australia. Milne reports that the GoNZ apparently was not aware of any intended visit and claimed it had not been notified by the USG of the specific incident. Milne's article posited that the USG lost a chance to break the 20-year diplomatic stalemate, noting that PM Clark claimed it was highly likely that a request for such a refit would have been approved once it was determined that the ship fit NZ's anti-nuclear legislation.

COMMENT: (Un)Finished Business?  
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15. (C) PM Clark's comments confirm that she is not only comfortable with her government's stance on the nuclear dispute with the USG, but that she also firmly wishes that it will just go away. That a leading Kiwi reporter can write a

well-balanced series of stories in one of New Zealand's leading newspapers suggests the issue is not as "finished" as the PM would like it to be. The series of articles continues a surprising but welcome internal discussion among New Zealanders that has been going on for nearly two years. Still, the Prime Minister's statements reaffirm post's view on the need for all US agencies to reinforce USG policy with New Zealand government interlocutors - both civilian and military.  
Swindells